

Terry L. Schwennesen
General Counsel

October 2, 2003

BY HAND DELIVERY & ELECTRONIC MAIL

Ms. Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02889

Re: Docket 3463 - Reports of the Rhode Island DSM Collaborative Meetings

Dear Ms. Massaro:

Enclosed for the Commission's review are ten copies of reports summarizing four meetings of the Rhode Island DSM Collaborative held during the summer of 2004. Although neither the DSM Collaborative nor Narragansett Electric are required to file these reports, the Company is filing these reports for the Commission's information. I would also appreciate it if you would put a copy of this report in the official file for this docket.

Thank you for your attention to our reports. Please contact me if you have any questions concerning this matter.

Very truly yours,

Terry L. Schwennesen

Enclosures

cc: RI Collaborative Members (w/o attachments)

**RHODE ISLAND DSM COLLABORATIVE
MEETING SUMMARIES
JULY 18 THROUGH SEPTEMBER 10, 2003**

The Rhode Island DSM Collaborative met four times in the summer of 2003 to discuss, negotiate, and achieve the terms of a final settlement on the Narragansett Electric Company’s Demand Side Management Programs for 2004. The following records summaries of these four meetings.

**JULY 18, 2003
TELECONFERENCE MEETING SUMMARY**

Attendance

Non-Utility Parties	For Narragansett Electric
Bill Lueker, RIAG for the Division	Kevin Menard
Janice McClanaghan, RI SEO	Carol White
Dave Stearns, Division	Laura McNaughton
Tim Woolf, Synapse Energy (Division Consultant)	Michael McAteer
Al Contente, Division	Jeremy Newberger
	Terry Schwennesen

Absent: Doug Hartley, RI PUC; Bill Gilmore, TEC-RI; Arline Bolvin (CCJ)

Meeting Highlights

- Programmatic enhancements for 2004 were proposed for consideration.
- The Company presented a general framework for a two-part incentive structure in 2004—90% based on savings and 10% based on performance metrics—that was generally agreed to by the Collaborative.
- A schedule was created for Company and Collaborative activity to meet the goal of a settlement for the 2004 programs being filed during the first week of September.

**RHODE ISLAND DSM COLLABORATIVE
AUGUST 13, 2003
TELECONFERENCE MEETING SUMMARY**

Attendance

Non-Utility Parties	For Narragansett Electric
Bill Lueker, RIAG for the Division	Carol White
Janice McClanaghan, RI SEO	Michael McAteer
Dave Stearns, Division	Kate Ringe-Welch
Tim Woolf, Synapse Energy (Division Consultant)	Jeremy Newberger
Al Contente, Division	Terry Schwennesen
Doug Hartley, RI PUC	Peter Bardhi (for Laura McNaughton)
Bill Gilmore, TEC-RI	

Absent: Arline Bolvin (CCJ); Kevin Menard (NECo)

Meeting Highlights

- The Company presented a proposed budget for 2004 of \$22.1 million.
- An incentive structure featuring \$603,000 for reaching savings targets and \$75,000 for five performance metrics was also presented.
- A few significant programmatic changes for 2004 are expected: reduction of rebates for Energy Star Heating, full scale implementation of comprehensive Small Business Services, ending copayment for light fixtures in the EnergyWise program.
- The Company reviewed its schedule to meet a September 5 filing target.

**RHODE ISLAND DSM COLLABORATIVE
AUGUST 27, 2003
TELECONFERENCE MEETING SUMMARY**

Attendance

Non-Utility Parties	For Narragansett Electric
Doug Hartley, RI PUC Janice McClanaghan, RI SEO Arline Bolvin (CCJ) Dave Stearns, Division Tim Woolf, Synapse Energy (Division Consultant) Al Contente, Division	Carol White Tom Coughlin and Kate Ringe- Welch (for M. McAteer) Jeremy Newberger Laura McNaughton

Absent: Kevin Menard, Terry Schwennesen (NECo), Bill Lueker (RIAG for the Division), Bill Gilmore, TEC-RI

Meeting Highlights

- The Company reviewed its schedule to meet a September 5 filing target, and changed the target to September 12, detailing intermediate milestones to meet that date.
- Collaborative members consented to the budget, spending budget, incentive framework (excluding kWh targets), and performance metrics (without numeric targets) proposed by the Company.
- The Collaborative consented to the Company’s proposed funding of Distribution Load Response Program.
- The Company described the role it anticipated playing in the proposed initiatives made by the Greenhouse Gas Process Stakeholder’s Group.

RHODE ISLAND DSM COLLABORATIVE
SEPTEMBER 10, 2003
MEETING MINUTES

Attendance

Non-Utility Parties	For Narragansett Electric
Janice McClanaghan, RI SEO	Michael McAteer
Bill Gilmore, TEC-RI	Carol White
Dave Stearns, Division	Jeremy Newberger
Tim Woolf, Synapse Energy (Division Consultant)	Laura McNaughton
Al Contente, Division	Terry Schwennesen (NECo)
Bill Lueker, RIAG (for the Division)	Bob Bowcock (for Kevin Menard)

Absent: Doug Hartley, RI PUC, Arline Bolvin (CCJ)

Meeting Highlights

- The Parties reviewed the text and attachments for the proposed settlement regarding the Company's 2004 DSM programs
- Substantive agreement was reached on the bulk of the text and attachments
- Steps were developed to achieve agreement on all items and secure the Parties' signatures on the document, filing on September 12.